IN THE CLAIMS

Please amend the claims as follows:

1.   (Currently Amended) A method of presenting advertising in a subscriber broadcast system, the method comprising:

offering an upgraded advertising service;

receiving subscriptions to said upgraded advertising service;

delivering set top box computer program code to a plurality of set top boxes, each set top box being associated with an upgraded advertising service subscriber;

receiving a plurality of video feeds including a plurality of advertisements;

providing indicators for a first advertisement and a second advertisement ~~at least two advertisements~~ of said plurality of advertisements wherein said indicators include a first priority level indicator and a first category indicator associated with the first advertisement, and a second priority level indicator and a second category indicator associated with the second advertisement ~~for a corresponding advertisement~~; and

broadcasting a video signal comprising program content, said plurality of advertisements, and said indicators ~~for at least two advertisements of said plurality of advertisements~~ to [[a]]the plurality of set top boxes;

wherein the set top box computer program code is to: ~~select one of the at least two advertisements based on said indicators~~

compare the first category indicator and the second category indicator to a stored category value;

compare the first priority level indicator and the second priority level indicator; and

select said second advertisement when the second category indicator corresponds to said stored category value and the second priority level indicator is greater than or equal to said first priority level indicator.

2.   (Original) The method of claim 1 further comprising:

receiving a request for an advertising category from at least one subscriber of said plurality of subscribers.

3.   (Original) The method of claim 1 further comprising:

broadcasting an advertising indicator that includes a network address for an advertisement that can be accessed across a network.

4.   (Original) The method of claim 1 further comprising:

downloading an advertisement and corresponding indicator to local storage of a set top box.

5.   (Original) The method of claim 1 further comprising:

selecting said plurality of advertisements based upon demographic characteristics of said plurality of set top boxes.

6.   (Currently Amended) A method for displaying user selected advertising in a subscriber broadcast system, the method comprising:

requesting a category of advertisement from a plurality of advertisement categories, the category being selected by a subscriber, the selected category of advertisement having an associated stored category value;

receiving a video signal comprising program content, a standard advertisement, and an advertisement indicator, wherein said advertisement indicator indicates a priority level and a category value for an advertisement corresponding to the category;

determining if said standard advertisement may be replaced with an upgraded advertisement;

accessing upgraded advertisement content if it is determined that said standard advertisement may be replaced with an upgraded advertisement, wherein the upgraded advertisement content includes a first advertisement and a second advertisement, and wherein a first advertisement indicator including a first priority level indicator and a first category indicator is associated with the first advertisement and a second advertisement indicator including a

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second priority level indicator and a second category indicator is associated with the second advertisement; [[and]]

selecting between said first advertisement and said second advertisement by:

comparing the first category indicator and the second category indicator to a stored category value;

comparing the first priority level indicator and the second priority level indicator; and

selecting said second advertisement when the second category indicator of said second advertisement corresponds to said stored category value and the second priority level indicator is greater than or equal to said first priority level indicator; and

displaying the selected advertisement. ~~said upgraded advertisement content if it is determined that said standard advertisement may be replaced with an upgraded advertisement.~~

7.   (Currently Amended) An upgraded advertising production system comprising:

a processor;

an advertisement detector ~~receiving~~ to receive a video feed comprising program content and advertising;

an advertisement indicator editor configured to create, modify, and delete at least one advertisement indicator associated with an advertisement contained in said video feed;

a channel multiplexer ~~that receives~~ to receive said program content, at least one advertisement, and said at least one advertisement indicator and ~~that formats~~ to format said program content, said at least one advertisement and said at least one advertisement indicator for transmission; and

a transmitter to transmit ~~that transmits~~ said program content, said at least one advertisement, and said at least one advertisement indicator to a set top box, wherein said at least one advertisement indicator includes a priority level indicator and a category indicator for a corresponding advertisement to allow a computer program code to compare a first category indicator associated with a first advertisement and a second category indicator associated with a second advertisement to a stored category value, compare a first priority level indicator associated with said first advertisement with a second priority level indicator associated with said

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second advertisement, and select said second advertisement when the second category indicator corresponds to said stored category value and said second priority level indicator is greater than or equal to said first priority level indicator.

8.   (Currently Amended) A set top box ~~that~~ to selectively display ~~displays~~ upgraded advertising comprising:

a processor;

an audio/video processor to output ~~that outputs~~ audio and video signals to a display unit;

a tuner controlled by said processor to receive ~~that receives~~ a video input comprising program content, a first advertisement, a first advertisement indicator including a first priority level indicator and a first category indicator associated with the first advertisement, a second advertisement, and a second advertisement indicator including a second priority level indicator and a second category indicator associated with the second advertisement ~~wherein said first advertisement indicator and said second advertisement indicator both identify a category of the advertisement and a priority level~~;

first computer program code operating on said processor ~~that detects said first advertisement indicator and said second advertisement indicator and~~ to compare ~~compares~~ the first category indicator ~~of said first advertisement~~ and the second category indicator ~~of said second advertisement~~ to a stored category value and to compare ~~that compares~~ the first priority level indicator ~~of said first advertisement~~ with the second priority level indicator ~~of said second advertisement~~ and to select ~~that selects~~ said second ~~first~~ advertisement when ~~unless~~ the second category indicator ~~of said second advertisement~~ corresponds to said stored category value and the second priority level indicator ~~of said second advertisement~~ is greater than or equal to said first priority level indicator ~~of said first advertisement~~; and

second computer program code to provide ~~that provides~~ said first advertisement to said audio/video processor if said first advertisement is selected and to access ~~that accesses~~ and provide ~~provides~~ said second advertisement to said audio/video processor if said second advertisement is selected.

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9.   (Currently Amended) The set top box of claim 8 further comprising computer program code to process that processes a user input and store stores said stored category value in said set top box.

10.   (Currently Amended) The set top box of claim 8 further comprising computer program code to recognize that recognizes a remote control input as being specific to one user and to select selects said stored category value from a plurality of stored category values based upon an identifier of said one user.

11.   (Currently Amended) The set top box of claim 8 wherein said second computer program code further comprises code that is configured to adjust adjusts said tuner to receive said second advertisement.

12.   (Currently Amended) The set top box of claim 8 wherein said second computer program code further comprises code that is configured to acquire acquires said second advertisement across a network.

13.   (Currently Amended) The set top box of claim 8 further comprising:

a video combiner to combine that combines a portion of said first advertisement with a portion of said second advertisement.

14.   (Currently Amended) An upgraded advertising production system comprising:

processing means;

means for detecting an advertising period in a video feed;

editing means for creating, modifying, and deleting that can create, modify, and delete an advertisement indicator associated with said video feed to produce an edited video feed, wherein said advertisement indicator includes a priority level and a category for a corresponding advertisement;

multiplexer means for receiving ~~that receive~~ said edited video feed, ~~and~~ accessing ~~accesses~~ advertising content, and formatting ~~that formats~~ said edited video feed and said advertising content for transmission;[[and]]

transmission means for transmitting ~~that transmits~~ said edited video feed and said advertising content to a set top box, said advertising content including a first advertisement and a second advertisement, wherein a first priority level indicator and a first category indicator is associated with said first advertisement, and a second priority level indicator and a second category indicator is associated with said second advertisement to allow computer program means at said set top box to compare the first priority level indicator and the second priority level indicator and select said second advertisement when the second category indicator corresponds to said stored category value and the second priority level indicator is greater than or equal to said first priority level indicator.

15.   (Currently Amended) A set top box that selectively displays upgraded advertising comprising:

processor means;

audio/video processing means for outputting ~~that output~~ audio and video signals to a display unit;

tuning means controlled by said processor means for receiving ~~that receive~~ a video input comprising program content, a first advertisement, ~~a first advertisement indicator,~~ a second advertisement, a first priority level indicator and a first category indicator associated with the first advertisement, and a second priority level indicator and a second category indicator associated with the second advertisement; ~~a second advertisement, and a second advertisement indicator wherein said first advertisement indicator and said second advertisement indicator both identify a category of the advertisement and a priority level~~;

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computer program code means operating on said processor ~~that detect said first advertisement indicator and said second advertisement indicator and~~ for comparing ~~that compare the category of said first advertisement and the category of said second advertisement~~ said first category indicator and said second category indicator to a stored category value and comparing ~~that compare~~ the first priority level indicator ~~of said first advertisement~~ with the second priority level indicator ~~of said second advertisement~~ and selecting ~~that select~~ said second ~~first~~ advertisement ~~unless~~ when the second category indicator ~~of said second advertisement~~ corresponds with said stored category value and the second priority level indicator ~~of said second advertisement~~ is greater than or equal to said first priority level indicator ~~of said first advertisement~~; and

second computer program code means for providing ~~that provide~~ said first advertisement to said audio/video processor if said first advertisement is selected and accessing and providing ~~that accesses and provide~~ said second advertisement to said audio/video processor if said second advertisement is selected.

16.   (Currently Amended) The method of claim 1, further including ~~A method of operating a subscriber broadcast system comprising~~:

defining a plurality of advertising categories;

receiving user requests for said advertising categories;

~~transmitting program content and advertisements with advertisement indicators allowing selection of advertisements at a set top box, wherein said advertisement indicators include a priority level and a category value for an advertisement corresponding to said advertising categories;~~

determining a count of advertisements viewed in each category of said plurality of advertising categories; and

creating a billing statement reflecting said count of advertisements in each category.